

**MINUTES OF THE REGULAR MEETING
OF THE
COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY**

January 21, 2014

The Commissioners of the Chicago Housing Authority held its Regular Meeting of the Board of Commissioners on Tuesday, January 21, 2014 at approximately 8:45 a.m. at the CHA Corporate Offices, 60 E. Van Buren, 12th Floor Loft in Chicago, IL.

Chairwoman Z. Scott called the meeting to order and upon roll call, those present and absent were as follows:

Present:	Matthew Brewer Dr. Mildred Harris Harriet Johnson Jack Markowski Myra King Z. Scott
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Absent:	Mark Cozzi Bridget Reidy Rodrigo Sierra
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Also present were Michael Merchant, Chief Executive Officer, Scott Ammarell, Chief Legal Officer; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

Upon Motion made by Chairman Scott and properly seconded by Commissioner Markowski, the Commissioners adjourned to Executive Session. Chairwoman Scott announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately one hour to discuss personnel related matters, pending, probable or imminent litigation and audit reviews.

The Commissioners subsequently reconvened in Open Session and upon roll call, those present and absent were as follows:

Present:	Matthew Brewer Mark Cozzi Dr. Mildred Harris Harriet Johnson Jack Markowski Myra King Bridget Reidy Rodrigo Sierra
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Absent:	Bridget Reidy
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There being a quorum present, the meeting duly convened and business was transacted as follows:

After Motion made by Commissioner Cozzi and seconded by Commissioner Sierra the Minutes for the Regular and Closed meetings of December 17, 2013 were unanimously approved as submitted.

Commissioner Scott then introduced the six items discussed in Executive Session and presented an Omnibus Motion for approval of Items 1 through 5:

(Item 1)

RESOLUTION NO. 2014-CHA-1

WHEREAS, The Board of Commissioners has reviewed the Board Letter dated January 21, 2014, entitled AUTHORIZATION TO AMEND CONTRACT FOR LEGAL SERVICES WITH JOHNSON, JONES, SNELLING, GILBERT & DAVIS, P.C. UNDER CONTRACT NO. 11242, requesting authorization to amend the contract in an amount not to exceed \$200,000.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Legal Officer, or his designee, to amend the contract FOR LEGAL SERVICES WITH JOHNSON, JONES, SNELLING, GILBERT & DAVIS, P.C. in an amount not to exceed \$200,000 in the Gautreaux, litigation

(Item 2)

RESOLUTION NO. 2014-CHA-2

WHEREAS, The Board of Commissioners has reviewed the Board Letter dated January 21, 2014, entitled AUTHORIZATION TO AMEND CONTRACT FOR LEGAL SERVICES WITH WINSTON & STRAWN LLP UNDER CONTRACT NO. 11276, requesting authorization to amend the contract in an amount not to exceed \$200,000.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Legal Officer, or his designee, to amend the contract FOR LEGAL SERVICES WITH WINSTON & STRAWN LLP in an amount not to exceed \$200,000 in the Joseph Peery vs. CHA, 13-cv-05819

(Item 3)

RESOLUTION NO. 2014-CHA-3

WHEREAS, The Board of Commissioners has reviewed the Board Letter dated January 21, 2014, entitled AUTHORIZATION TO AMEND CONTRACT FOR LEGAL SERVICES WITH WINSTON & STRAWN LLP UNDER CONTRACT NO. 11276, requesting authorization to amend the contract in an amount not to exceed \$200,000.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Legal Officer, or his designee, to amend the contract FOR LEGAL SERVICES WITH WINSTON & STRAWN LLP in an amount not to exceed \$200,000 in the DeAnn Stubenfield, et al vs. CHA, 13-cv-06541.

(Item 4)

RESOLUTION NO. 2014-CHA-4

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 15, 2014, entitled "AUTHORIZATION TO EXERCISE THE TWO OPTION YEARS OF CONTRACT NO. 11202 WITH VARGA BERGER LEDSKY HAYES AND CASEY TO SERVE AS CHA's ETHICS OFFICER AND EQUAL EMPLOYMENT OPPORTUNITY OFFICER".

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

That the Board of Commissioners ("Board") authorizes the Chief Executive Officer ("CEO") or his designee to exercise the first 1-year option period of Contract No. 11202 ("Contract") with Varga Berger Ledsky Hayes and Casey to serve as CHA's Ethics Officer and Equal Employment Opportunity Officer for an amount not-to-exceed \$90,500, and at the CEO's or his designee's discretion, exercise the second and final 1-year option period in an amount not-to-exceed \$90,500, subject to funding availability and satisfactory contract performance.

These awards are subject to each Contractor’s compliance with the CHA’s MBE/WBE/DBE, Section 3 and insurance requirements.

(Item 4A)

RESOLUTION NO. 2014-CHA-5
A RESOLUTION ESTABLISHING AN AUDIT COMMITTEE
AND ADOPTING
THE AUDIT COMMITTEE CHARTER

WHEREAS, the Chicago Housing Authority (the “Authority”) has been created by, and exists under, the Housing Authorities Act, 310 ILCS 10/1 *et seq.*, as amended (the “Act”); and

WHEREAS, pursuant to the Act, the management and control of the Authority is vested in ten commissioners (the “Board”); and

WHEREAS, Section 6 of the Act, 310 ILCS 10/6, provides, *inter alia*, as follows:

The commissioners shall, from time to time, select and appoint a chief executive officer and officers and employees, including engineering, architectural and legal assistants, as they may require for the performance of their duties, and may prescribe the duties and compensation of each officer and employee or expressly delegate that authority to the chief executive officer;

and

WHEREAS, Section 8 of the Act provides that the Authority shall have “all the powers necessary or convenient to carry out and effectuate the purposes and provisions” of the Act, 310 ILCS 10/8; and

WHEREAS, Section 8.5 of the Act provides that the Authority has the power to “make and from time to time amend and repeal by-laws, rules and regulations” not inconsistent with the Act, in order “to carry into effect the powers and purposes of the Authority”;

WHEREAS, Section 1 of the By-Laws of the Authority provides, *inter alia*, that:

The commissioners may by resolution make any delegation of discretionary powers or ministerial duties, to be exercised in accordance with the standards, limitations, and controls which shall be set up in such resolution and which shall not be inconsistent with the “Act in Relation to Housing Authorities” to any committee or committees of one or more chosen from among their number. Any action taken in the name of the Authority by a person or persons to whom such powers or duties have been delegated shall be the action of the Authority and binding upon it, provided such action is pursuant to and within the scope of the delegation resolution, and consistent with “An Act in Relation to Housing Authorities.”

and

WHEREAS, the Board hereby finds and determines that it is in the best interests of the Authority to adopt that certain Audit Committee Charter, which is attached and incorporated into this Board Letter and Board Resolution; and

WHEREAS, the Board hereby finds and determines that it is necessary and in the best interests of the Authority to establish an Audit Committee pursuant to and consistent with its adoption of the Audit Committee Charter, and to delegate those authorities and ministerial functions to the Audit Committee, the Board Chairperson and such other designations as set forth therein, subject to final action of the Board as described herein

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Chicago Housing Authority, Cook County, Illinois, as follows:

Section 1. Incorporation of Recitals.

The recitals set forth above are hereby found to be true and correct and are incorporated in their entirety as if fully set forth in this Section 1.

Section 2. Establishment and Composition of Audit Committee and Adoption of the Audit Committee Charter.

In accordance with the Audit Committee Charter, which is attached to this Resolution and hereby adopted by the Board of Commissioners, there is hereby established an Audit Committee which shall be comprised of three (3) members, including two (2) members selected from the Board of Commissioners and one (1) member selected from the general community (the “Audit Committee”, or “Committee”), all of whom must be independent of Chicago Housing Authority operations. The outside member shall not be a member of, and shall not have any of the rights or privileges of, a Commissioner of the Chicago Housing Authority, but must comply with the provisions of Section 5 of the Housing Authority Act, 310 ILCS 10/5, to the same extent as a Commissioner. The Chairperson of the Board of Commissioners will appoint the Audit Committee members, subject in the case of the outside member to confirmation by the Board of Commissioners, and will select one of the Commissioner members of the Audit Committee to serve as the Committee chair.

Section 3. Independent Auditor and Financial Statements.

As to Independent Auditor functions and Financial Statements, the Audit Committee shall:

- In compliance with applicable procurement policies and procedures, be responsible for the appointment, retention and compensation of the independent auditors of the Chicago Housing Authority.
- Be responsible for overseeing the independent auditors of the Chicago Housing Authority, including resolving disagreements between management and the independent auditors regarding financial reporting.
- In compliance with applicable procurement policies and procedures, pre-approve all audit and non-audit services provided by the independent auditor and, if the audit committee desires, establish pre-approval policies and procedures under which particular services will be deemed to have been approved. Non-audit services include tasks that directly support the Chicago Housing Authority’s operations, such as bookkeeping or other services related to the accounting records or financial statements of the Chicago Housing Authority, financial information systems design and implementation, appraisal or valuation services, actuarial services, investment banking services, and other tasks that may involve performing management functions or making management decisions.
- Review and approve the Chicago Housing Authority’s audited financial statements, associated management letter, report on internal controls and required and other communications with the independent auditors.
- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and their impact on the financial statements.
- Meet with the independent auditors and management as necessary to discuss any significant issues that may have surfaced during the course of the audit.
- Review and discuss any significant risks reported in the independent auditors’ findings and recommendations and assess the responsiveness and timeliness of management’s follow-up activities pertaining to the same.

Section 4. Internal Auditors.

As to Internal Auditor functions, the Audit Committee shall:

- Ensure that the annual budget of the Chicago Housing Authority provides sufficient financial and employee resources for the internal auditors to perform their duties.
- Review with management, the Director, Audit Management and Compliance, and other relevant personnel the charter, activities, staffing and organizational structure of the internal audit function.
- Ensure that the internal audit function is organizationally independent from Chicago Housing Authority operations.
- Review and approve the Internal Audit charter.
- Review the reports of the internal auditors, results of internal audits and approve procedures for implementing accepted recommendations of the internal auditors
- Review and approve the annual internal audit plan.

Section 5. Inspector General.

As to Inspector General functions, the Audit Committee shall:

- Ensure that the annual budget of the Chicago Housing Authority provides sufficient financial and employee resources for the Office of the Inspector General to perform its duties.
- Review all reports concerning results of investigations undertaken by the Office of Inspector General.
- Review quarterly reports to be provided by Office of Inspector General no later than the fifteenth day of January, April, July, and October of each year.
- Review the annual report to be provided by Office of Inspector General no later than the first day of February of each year.
- Serve as a point of contact with the Office of the Inspector General.

Section 6. Internal Controls, Compliance and Risk Assessment

As to Internal Control, Compliance and Risk Assessment functions, the Audit Committee shall:

- Review management's assessment of the effectiveness of the Chicago Housing Authority's internal controls and review the report on internal controls by the independent auditor as a part of the financial audit engagement.
- Meet with the independent auditors and management to discuss any major issues as to the adequacy of the Chicago Housing Authority's internal controls and the resolution of any identified material weaknesses or significant deficiencies.
- Review with the Chicago Housing Authority's general counsel any legal or regulatory matters or inquiries that could have a significant impact on the Chicago Housing Authority's financial statements or compliance with applicable laws and policies, including implications as to the adequacy of the Chicago Housing Authority's internal controls.
- Review and approve the annual risk assessment conducted by the internal auditors.

Section 7. Other Responsibilities of the Audit Committee.

As to other functions and responsibilities, the Audit Committee shall:

- Report its activities to the full Board of Commissioners on a regular basis and annually present to the Board of Commissioners a summary report of how the audit committee has discharged its duties and met its responsibilities as outlined in this charter.
- Obtain all information and training necessary to enhance the committee members' understanding of the role of internal audits and the independent auditor, the risk management process, internal

controls and a certain level of familiarity in financial reporting standards and processes.

- Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing to the appropriate body.
- Review the committee's charter at least annually and recommend to the Board of Commissioners of the Chicago Housing Authority any proposed changes, including changes reflecting developments in applicable laws, regulations and accounting and auditing standards.
- Conduct a bi-annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the board approval for proposed changes.
- Review and approve any permitted related party transactions (as defined for purposes of Government Accounting Standards Board Statement No. 56) involving the Chicago Housing Authority.

Section 8. Severability.

In the event that any provision, clause, sentence, section or other part of this Resolution is held to be invalid, unconstitutional, void or unenforceable, the remaining provisions of this Resolution shall remain in full force and effect, it being the intent of the Board in adopting this Resolution that no portion hereof or provision contained herein shall become inoperative or fail by reason of unconstitutionality or invalidity of any other portion or provision.

Section 9. Effective Date.

This Resolution shall be in full force and effect after its passage as provided by law, and any other resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 10. Modification(s) to Other Resolutions.

This Resolution shall have the specific and limited effect of amending that certain prior Resolution 2008-CHA-52 in part, solely to the extent that the Finance & Audit Committee established thereunder shall hereafter be referred to as the Finance Committee. Notwithstanding the foregoing amendment to Resolution 2008-CHA-52, no other modification, limitation to the Finance Committee delegation is intended, implied or effective as a result of this Resolution.

(Item 5)

RESOLUTION NO. 2014-CHA-6

WHEREAS, Michael R. Merchant was appointed the Chief Executive Officer of the Chicago Housing Authority effective November 12, 2013;

WHEREAS, Michael R. Merchant has been a long-standing public employee who has served for many years in various capacities at various City of Chicago agencies;

WHEREAS, Michael R. Merchant accrued a significant amount of paid sick leave over the years of his employment, which sick leave was not addressed in Mr. Merchant's compensation proposal when Mr. Merchant became CHA's CEO and, by this oversight, those hours were subsequently lost; and

WHEREAS, The Board has determined that Mr. Merchant should have paid sick leave available at the onset of his employment;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT The terms of Michael R. Merchant's offer of employment as Chief Executive Officer of the Chicago Housing Authority are hereby amended to include paid sick leave to be available immediately to Mr. Merchant. Following the usage of 10 paid sick days, the Board Chair shall have the discretion to grant additional paid sick days as deemed appropriate by the Board Chair.

The Motion to adopt resolutions for Items 1, 2, 3, 4, 4A and 5 was seconded by Commissioner Markowski and the voting was as follows:

Ayes:	Matthew Brewer
	Mark Cozzi
	Dr. Mildred Harris
	Harriet Johnson
	Jack Markowski
	Myra King
	Z. Scott
	Rodrigo Sierra

Nays:	None
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There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolutions adopted.

Commissioner Mildred Harris, Chairwoman of the Tenant Services Committee, then presented her report. Per Commissioner Harris, the Tenant Services Committee met on Wednesday, January 15, 2014 at approximately 1:05 p.m. at the 60 E. Van Buren Corporate Offices, 3rd Floor. Present at the meeting was commissioner King, Sierra and Johnson. Present also, but not counted for the quorum was Commissioner Brewer and Markowski. The Committee then discussed, voted and recommended for approval Items 6 and 7.

On behalf of the Tenant Services Committee, Commissioner Harris presented an Omnibus Motion for the approval of Items 6 and 7.

(Item 6)

The resolution for Item 6 approves acceptance of an award not-to-exceed \$100,000 from the Urban Institute for the Housing Opportunities and Services Together (HOST) Demonstration Program. The impetus for the HOST program was based on lessons learned from the Chicago Family Case Management Demonstration Project, which was a collaborative effort between CHA, Urban Institute and other partners from 2006 to 2009. HOST tests a two-generational model designed to improve family outcomes for both vulnerable adults and their children. At its core, HOST aims to address key barriers to economic independence and self-sufficiency, poor physical and mental health, addiction, low literacy levels and a weak connection to the labor force, while simultaneously integrating services for youth that are designed to break the inter-generational cycle of poverty. HOST aims to reduce community violence and disorder through adult and youth services for the most troubled families. The grant funding from the Urban

Institute has supplemented the enhanced HOST services for the target population at Altgeld Gardens since August of 2011. The services are primarily provided by Uhlich Children's Advantage Network, who is CHA's FamilyWorks provider at Altgeld Gardens. Acceptance of the additional grant funds will allow CHA and Urban Institute to continue to implement the HOST Demonstration Program for another year. The HOST metrics are aligned with Resident Services mission and goals. These metrics are being evaluated throughout the course of the Demonstration by Urban Institute and will be used to assess the long-term benefits and impact of the program.

RESOLUTION NO. 2014-CHA-7

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 15, 2014 entitled "RECOMMENDATION TO ACCEPT AN ADDITIONAL GRANT AWARD FROM AND AMEND THE GRANT AGREEMENT WITH URBAN INSTITUTE FOR THE HOUSING OPPORTUNITIES AND SERVICES TOGETHER DEMONSTRATION PROGRAM";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to accept an additional grant award in an amount not-to-exceed \$100,000 from the Urban Institute and amend Grant Agreement No. 08609-000-05-CHA-01 with the Urban Institute to extend the Housing Opportunities and Services Together Demonstration Project through April 30, 2015.

(Item 7)

The resolution for Item 7 authorizes the Chief Executive Officer or his designee to enter into a Funding Agreement with the Central Advisory Council (CAC) in an amount not-to-exceed \$535,920 for the period of January 1, 2014 through December 31, 2014 . A Funding Agreement between CHA and the CAC is required by HUD Regulations for funding provided by a housing authority for a duly elected resident council. The purpose of the CAC as the jurisdiction wide resident council for CHA Residents is to act as a vehicle for resident participation and to represent the interests of the residents of CHA family and senior buildings. The role of a resident council is to improve the quality of life and resident satisfaction and participate in self-help initiatives to create a positive living environment for families living in public housing. The Funding Agreement shall be used to fund tenant participation activities and for costs incurred in carrying out tenant participation activities (e.g. expenses related to resident council elections).

Commissioner King voted Nay on Item 7.

Commissioner Cozzi abstained from voting on Item 7.

RESOLUTION NO. 2014-CHA-8

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 15, 2014 entitled "AUTHORIZATION TO ENTER INTO A FUNDING AGREEMENT WITH THE CENTRAL ADVISORY COUNCIL";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into a Funding Agreement with the Central Advisory Council in an amount not-to-exceed \$535,920 for the period of January 1, 2014 through December 31, 2014.

The Motion to adopt resolutions for Items 6 and 7 was seconded by Commissioner Markowski and the voting was as follows:

Ayes:	Matthew Brewer
	Mark Cozzi
	Dr. Mildred Harris
	Harriet Johnson
	Jack Markowski
	Myra King
	Z. Scott

Rodrigo Sierra

Abstention: Mark Cozzi (on Item 7 only)

Nays: Myra King (on Item 7 only)

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolutions adopted.

In the absence of Committee Chair Bridget Reidy, Commissioner Sierra presented the report of the Operations and Facilities Committee. Per Commissioner Sierra, the Operations Committee meeting was held on Wednesday, January 15, 2014 at approximately 1:35 p.m. at the 626 Corporate Offices. Present at the meeting were Commissioners Brewer, Harris, Markowski and Sierra.

Commissioner Sierra then presented an Omnibus Motion for the approval of Items 8 through 12.

(Item 8)

The resolution for Item 8 approves increasing the reserve capacity, in the amount not-to-exceed \$45,000,000 for the Indefinite Delivery, Indefinite Quantity (IDIQ) Program of the Capital Construction Department. The Program is a vital component of the CHA's ability to successfully meet its goals in the Plan Forward. It provides an ability to respond more quickly to smaller scale construction needs than is available using the Invitation for Bid or Request for Proposal solicitation formats; the flexibility of having firms under contract who can build a history of experience with CHA's construction projects, and an opportunity for smaller firms to work with the CHA and grow through that experience. In 2012 the Board of Commissioners approved funding of \$80,000,000 to cover a two-year base period, with the possibility of adding a single Option Year, if needed. However, the Program has taken on additional areas of responsibility since then, and the funding will be exhausted in early 2014, well short of the August 19, 2014 expiration of the two-year base contracts currently held by fifteen (15) general contractors who participate in the Program. Since the issuance of the current IDIQ contracts, the Program has been expanded to include a larger number and variety of projects, and this has led to the Program's funding being expended much faster than originally expected. It has been determined that an increase not-to-exceed \$45,000,000 will need to be added to the funding for this Program to enable it to fully fund the task orders already in the pipeline or contemplated. The new total aggregate amount of the IDIQ contracts and the reserve capacity is not-to-exceed \$125,000,000. Given the success of the Program, CHA intends to re-solicit this program in 2014, so no additional request will be made to increase funding under the current program.

RESOLUTION NO. 2014-CHA-9

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 15, 2014 entitled "AUTHORIZATION TO INCREASE THE RESERVE CAPACITY FOR THE INDEFINITE DELIVERY, INDEFINITE QUANTITY (IDIQ) PROGRAM OF THE CAPITAL CONSTRUCTION DEPARTMENT";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners hereby approves the addition of an amount not-to-exceed \$45,000,000 to the funding capacity for the Indefinite Delivery, Indefinite Quantity Program Construction Services of the Chicago Housing Authority the Program. This additional capacity is to be reserved for allocation among the firms in the Program at the determination of the Contracting Officer. The new total aggregate amount of the IDIQ contracts and the reserve capacity is not-to-exceed \$125,000,000.

The task orders issued under the Program are subject to each Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 and insurance requirements.

(Item 9 – This Number Not Used)

(Item 10)

In February 2013, CHA entered into a contract with Office Depot to supply and deliver office supplies to the CHA for an initial term of one year, with an option to extend for two additional one-year periods. The not-to-exceed amount for the base year term was \$95,000; because the dollar value of the base year term was under the \$100,000.00 threshold, Board approval was not required at the time the initial contract was executed. The recommended not-to-exceed amount for the first one year option is \$95,000; the recommended not-to-exceed amount for the second one year option term is also \$95,000. Accordingly, the resolution for Item 10 approves exercising the two one-year contract option with Office Depot for the continued supply and delivery of office supplies in an amount not-to-exceed \$190,000.

RESOLUTION NO. 2014-CHA-10

WHEREAS, the Board of Commissioners has reviewed the Board Letter January 15, 2014 entitled "AUTHORIZATION TO EXERCISE THE TWO ONE-YEAR CONTRACT OPTIONS WITH OFFICE DEPOT FOR THE SUPPLY AND DELIVERY OF OFFICE SUPPLIES"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to exercise either or both of the two (2) one-year contract options with Office Depot for the supply and delivery of office supplies, at the discretion of the Chief Executive Officer or his designee, subject to funding availability and satisfactory contract performance. The additional compensation for each of these options shall be in an amount not-to-exceed \$95,000 per year, resulting in total additional compensation in an amount not-to-exceed \$190,000.00 for the two option periods from February 1, 2014 through January 31, 2016. As a result of the requested authorization, the total aggregate compensation under the contract shall be in an amount not-to-exceed \$285,000.00.

(Item 11)

CHA seeks to develop a national model of excellence in program delivery, outstanding level of customer service and innovation for the Housing Choice Voucher Programs. In preparation of the new solicitation, in March 2013, CHA issued a Public Notice that a Request For Proposal (RFP) would be issued in the upcoming months for the Administration of the Housing Choice Voucher; Project-Based Voucher and Moderate Rehabilitation Programs. In August 2013, CHA issued and released an RFP. This RFP separated the operation and administration of the HCV Program into components, with respondents having the option to propose on any one, up to all 5 of the components as follows: Option A: HCV Regional Office Administration; Option B: PBV and Mod Rehab Administration; Option C: HCV Wait List and Admissions Administration; Option D: Owner Administration, Customer Service Call Center, Marketing & Events Management; Option E: HCV Inspections, including PBV and Mod Rehab. The Request for Proposal was advertised in area newspapers. In addition, 52 Firms received the notice and 48 vendors either downloaded the RFP from BuySpeed or picked up a copy at the CHA Central Office. An Evaluation Team evaluated and scored proposals submitted by three firms. All three firms were invited to make an oral presentation to the Evaluation Team and Best and Final Offers were requested. After further reviews, presentations and scorings, two firms remained in the competitive range. The evaluation scores clearly demonstrated that CVR and NMA would provide the best overall combination of industry expertise, experienced management personnel, program approach and cost. Accordingly, the resolution for Item 11 approves award of contracts, in the total aggregate amount of \$53,945,508 to CVR Associates, Inc. for the following three administrative components: Options A, D and E and to Nan McKay & Associates for Options A, B and C. For Option A the solicitation provided that no one vendor could be awarded more than 2 Regional Offices. CVR and NMA are current vendors of the HCV Program in good standing.

Commissioner King voted Nay on Item 11.

RESOLUTION NO. 2014-CHA-11

WHEREAS, the Board of Commissioners has reviewed the Board Letter January 15, 2014 entitled "AUTHORIZATION TO ENTER INTO CONTRACTS WITH CVR ASSOCIATES, INC. AND NAN MCKAY & ASSOCIATES FOR THE

ADMINISTRATION OF THE HOUSING CHOICE VOUCHER, PROJECT-BASED VOUCHER AND MODERATE REHABILITATION PROGRAMS”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designees to enter into contracts with CVR Associates, Inc. ("CVR") and Nan McKay & Associates both for a base term of two (2) years with two (2) one (1) year options in amounts not to exceed \$37,212,715 and \$16,732,793, respectively, for the base term (which includes \$4,000,000 to cover the associated cost for administration of additional vouchers that CHA may administer) for the administration of the Housing Choice Voucher ("HCV"), Project-based Voucher ("PBV"), and Moderate Rehabilitation ("Mod Rehab") Programs (collectively, the "HCV Programs").

This award is subject to the Contractors' compliance with CHA's MBE/WBE/DBE, Section 3 and insurance requirements.

(Item 12)

CHA’s Planning and Reporting Department of the Executive Office continues to expand the agency’s property data and geographic information system (GIS) infrastructure to facilitate data-driven decision making for the management of CHA-owned property, land-use planning and redevelopment. CHA’s Planning and Reporting Department will utilize the GIS data provided by the Cook County Assessor’s Office (CCAO) to develop a comprehensive database that will allow CHA staff in numerous departments to perform various analyses and maintain updated records for properties owned and maintained by CHA and its partners. The CCAO data will provide CHA access to updated citywide geographic, land use, and property assessment data as well as aerial imagery for all properties associated with the CHA’s public housing and HCV programs throughout the City of Chicago. Through the IGA, CHA will be able to receive data on an annual basis from CCAO, which will allow the agency to update the internal database and ensure more frequent, systematic access to official property records and data. The IGA is a one-way data sharing agreement; CHA will not provide data to CCAO as part of the agreement. Accordingly, the resolution for Item 12 approves the Intergovernmental Agreement with the Cook County Assessor’s Office.

RESOLUTION NO. 2014-CHA-12

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 15, 2014 entitled “AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE COOK COUNTY ASSESSOR’S OFFICE”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into an Intergovernmental Agreement with the Cook County Assessor’s Office (CCAO) for geographic information system (GIS) data sharing, for five subsequent annual data requests beginning in 2014 through 2018, to facilitate the expansion of CHA’s property data infrastructure and to inform the development and management of CHA-owned property.

The Motion to adopt resolutions for Items 8 and 10 through 12 was seconded by Commissioner Harris and the voting was as follows:

Ayes: Matthew Brewer
Mark Cozzi
Dr. Mildred Harris
Harriet Johnson
Jack Markowski
Myra King
Z. Scott
Rodrigo Sierra

Nays: Myra King (on Item 11 only)

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolutions adopted.

Commissioner Jack Markowski then presented the report of the Finance Committee. Per Commissioner Markowski, the Finance Committee meeting was held on Wednesday, January 15th at approximately 2:15 p.m. at the 60 East Van Buren Corporate Offices. Present at the meeting were Commissioners Brewer, Johnson, King, and Reidy. The Committee discussed, voted and recommended for Board approval Item 13. On behalf of the Finance Committee, Commissioner Markowski then presented a Motion for the approval of Item 13:

(Item 13)

The resolution for Item 13 approves the option year of Contract No. 11123 with Aon Risk Services Central, Inc., in an amount not-to-exceed \$80,000 for Risk Control inspections. CHA procured the services of Aon, which has also been CHA's insurance broker and consultant of record since 2006, to provide risk control assessments pursuant to RFP No. 11-08842 released in November 2011. The original contract term was for the period of May 31, 2012 through May 30, 2013. The scope of work was to inspect 100 CHA developments in accordance with the inspection criteria utilized in CHA's Risk Control Program, which CHA's private management companies are expected to follow. Inspections were conducted in all senior and family development sites, as well as various scattered site locations. Inspections were conducted by Aon's risk control consultants, with assistance from MBE partner Lambent Risk Management, performing 20% of the site visits. Of the 343 recommendations made, 15 were considered critical in nature and corrective actions were immediately taken in order to prevent future loss of physical assets or bodily injury to residents. In addition to identifying unsafe conditions within the portfolio, the information and reports generated are shared with potential insurers, which reinforce the positive strides made by the Authority, which help change previously held opinions by the underwriting community. The inspection process is critical to the risk management process, functioning as a control measure to help the Authority protect its physical assets and resident population by identifying adverse issues. Aon has met all performance measures during the first year of the current contract.

RESOLUTION NO. 2014-CHA-13

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 15, 2014, entitled "AUTHORIZATION TO EXERCISE OPTION YEAR OF CONTRACT NO. 11123 WITH AON RISK SERVICES CENTRAL, INC. FOR RISK CONTROL INSPECTIONS;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners ("Board") authorizes the Chief Executive Officer or his designee to exercise the option year of Contract No. 11123 with Aon Risk Services Central, Inc. for risk control inspections in an amount not-to-exceed \$80,000 for the term February 1, 2014 to January 31, 2015.

These awards are subject to each Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 and insurance requirements.

The Motion to adopt resolution for Item 13 was seconded by Commissioner Sierra and the voting was as follows:

Ayes:	Matthew Brewer Mark Cozzi Dr. Mildred Harris Harriet Johnson Jack Markowski Myra King Z. Scott Rodrigo Sierra
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Nays:	None
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There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolution adopted.

Michael Merchant, Chief Executive Officer then presented his monthly report to the Commissioners.

Chairwoman Scott then invited residents and the public at large to address the Board.

There being no further business to come before the Commissioners, upon Motion made by Commissioner Brewer, seconded by Commissioner Harris, the January 21, 2014 meeting of the Board of Commissioners was adjourned at approximately 10:30 a.m.

Z. Scott
Chairwoman, Chicago Housing Authority

Lee Chuc-Gill, Secretary
Custodian and Keeper of Records